MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

September 2009

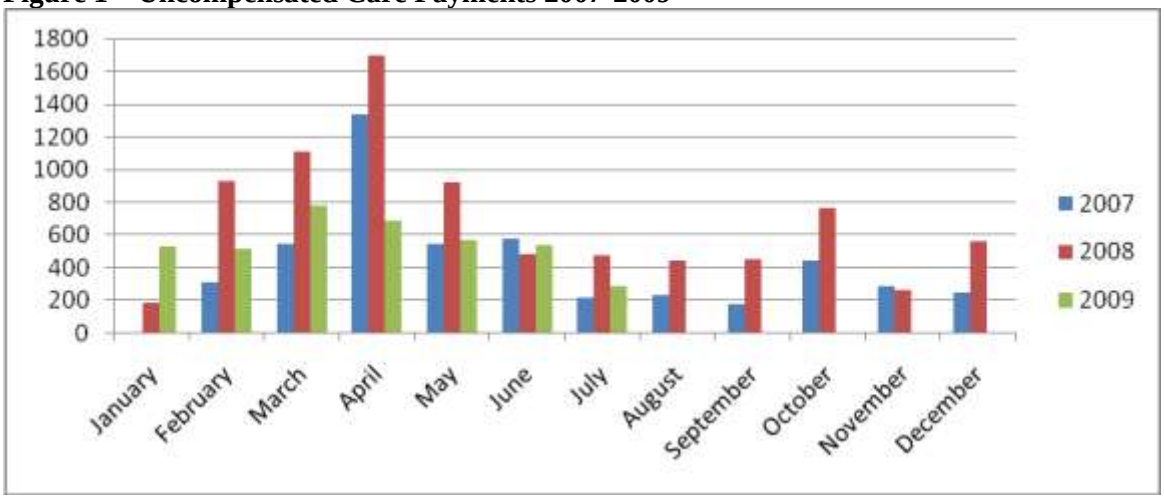
CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Maryland Trauma Physician Services Fund

Uncompensated Care Processing

CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $537,131.92 in June and $284,103.68 in July. The monthly payments for uncompensated care since February 2007 are shown below in Figure 1.

Figure 1 – Uncompensated Care Payments 2007-2009



The Commission approved an 8 percent reduction in uncompensated care, on-call, and stand-by payments for FY 2010, which began July 1, 2009. Payments from the Fund cannot exceed what is collected from the Fund in a given fiscal year. Uncompensated care payments, Medicaid shortfall payments, and on-call stipends have increased, while revenue from automobile registrations and registration renewals has declined as a result of the economic down turn.

Commission staff has asked CoreSource, Inc. to study cost saving measures for processing Trauma Fund claims. Given the reduction payments to providers and improvements in processing, staff expects to realize some savings from a rate rollback.

Contract for Audit Services

Clifton Gunderson LLP has begun audit of the Trauma Fund grants and uncompensated care payments to physician practices.

Patient Centered Medical Home Workgroup

The Maryland Quality and Cost Council's Patient Centered Medical Home Workgroup and a Payment subgroup on which MHCC staff are participants have been meeting regularly throughout July and August. A report on the Workgroup's recommendations for a multi-stakeholder PCMH demonstration will be sent

to Secretary Colmers on September 11th and subsequently to the Maryland Health Quality and Cost Council on October 1st.

Maryland has been selected by the National Academy for State Health Policy ("NASHP") to participate in the State Consortium to Advance Medical Homes for Medicaid and CHIP Program Participants, 2009-2010 ("the Consortium"), being funded by the Commonwealth Fund. NASHP received 19 competitive state applications and named 8 new states to the Consortium. This is a small technical assistance grant that will run for a year. It allows Maryland to work with NASHP and other leading states in the development of Patient Centered Medical Homes, particularly with Medicaid.

Information regarding the work of each of the subgroups and the Workgroup, as well as the schedule of upcoming meetings, is available on the Council's website at: http://dhmh.state.md.us/mhqcc/pcmh.html.

Cost and Quality Analysis

Medical Care Data Base (MCDB) RFP

In May, the staff issued a Request for Proposals (RFP) to continue the MCDB project and expand the information included in the data base over the next five years to add information on inpatient care and other institutional services, as well as eligibility information for all enrollees of the submitting payers. Four vendors submitted proposals that were assessed by a team with both internal and external reviewers, including a payer representative. The contract was been awarded to Social and Scientific Systems, Inc. Given the current economic climate, staff aggressively sought savings in this contract by significantly reducing the number and frequency of the publicly disseminated reports to offset the increased costs of the data base expansion. We met this contracting goal with a reduction of 10 percent in the cost of this contract compared to the previous contract. This contract also met our MBE participation goal of 25 percent, a significant increase from the 15 percent MBE share in the previous contract.

Medical Care Data Base (MCDB) Regulations

The staff have completed a draft of new regulations for COMAR 10.25.06, Maryland Medical Care Data Base and Data Collection. The new regulations will expand the information included in the data base to include payer claims for inpatient and other institutional services, as permitted under HB 800. In tandem with the data base expansion, the staff is seeking a re-design of the encryption methodology used by payers to differentiate individual users in the MCDB. The goal is make the encryption methods used in Maryland consistent with the approaches used by other states that are developing all payers, all claims data sets. These states, including Massachusetts, Maine, and New Hampshire, have developed an algorithm that enables the construction of an identifier that supports following users across plans. The current identifier employed in the MCDB does not support following users across plan types, which interferes with accurate construction of spending and utilization at the individual level.

The Commission will post the draft regulations for public comment on September 12th.

Revision of the Report on Professional Services Use by the Privately Insured in Maryland

The staff has been working to simplify and streamline the information typically contained in the annual report on use of and spending for professional services covered by private insurance, using the 2007 data report for the new template. The goal of this revision is to reduce (if not eliminate) duplicative data and discussions in the report so that each topic is presented once in the report using a consistent set of measures. When the new report is in published form, the staff will seek Commissioner input on the revised report content and lay-out, including suggestions for additional changes.

Data and Software Development

Internet Activities

The MHCC changed its web analytics vendor in July to Google/Analytics from ClickTraks Software. Google/Analytics is available at no cost, as compared to a $1,000 annual subscription charge from ClickTraks. ClickTraks also informed MHCC that they do not anticipate making further enhancements to their software. Google offers most of the capabilities and given that ClickTraks is not making any enhancements, the conversion decision was easy.

Google/Analytics utilizes different methodologies for many of the web analytics typically reported to the Commission. Most important, Google does not count visitors or unique users in the same way as ClickTraks. Our visitor and unique user counts are lower using the Google product. We expect to provide a full array of information on visits to the MHCC site beginning in the September reporting month. For August, we will only provide a limited amount of information. The number of visitors to the MHCC web site declined by 7.2 percent from 12,734 in July to 11,815 in August. The number of unique visitors fell by an identical percent from 6,040 in July to 5,621 in August. Several other metrics were more positive. Average time on the site increased by about 5 percent and the number of pages viewed per visitor also increased. Information on electronic health vendors, assisted living, and hospital quality were accessed most frequently.

Web Development for Internal Applications

Staff continued to make progress on license renewal applications for the occupations boards. Table 1 presents the status on development for both internal applications and the health occupation boards. The current workload and the limited staff available for develop has forced MHCC to scale back support to the boards in the last several months. In the upcoming months, MHCC staff will add several new capabilities to the web site, the first of which will be a listserv capability slated to be added in early October.

Table 1– Web Applications Under Development

Board	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
Board of Physicians – Physician Renewal	Production	July 2009
Chiropractic Examiners	Development	September 2009
Nursing Home/Long Term Care Survey	Underway	June 2009
Nursing Home/Long Term Care Survey Development	Development	January 2010
Nursing Home Quality Site	RFP Released	Start of Project November 2009
MHCC Listserv	Development	Availability October 15th
AHRQ QI Installation	Planning	Delayed

Revision of the Report on Professional Services Use by the Privately Insured in Maryland

The staff has been working to simplify and streamline the information typically contained in the annual report on use of and spending for professional services covered by private insurance, using the 2007 data report for the new template. The goal of this revision is to reduce (if not eliminate) duplicative data and discussions in the report, so that each topic is presented once in the report using a consistent set of measures. When the new report is in published form, the staff will seek Commissioner input on the revised report content and lay-out, including suggestions for additional changes.

Data and Software Development

Visitor Traffic on MHCC's Web Site

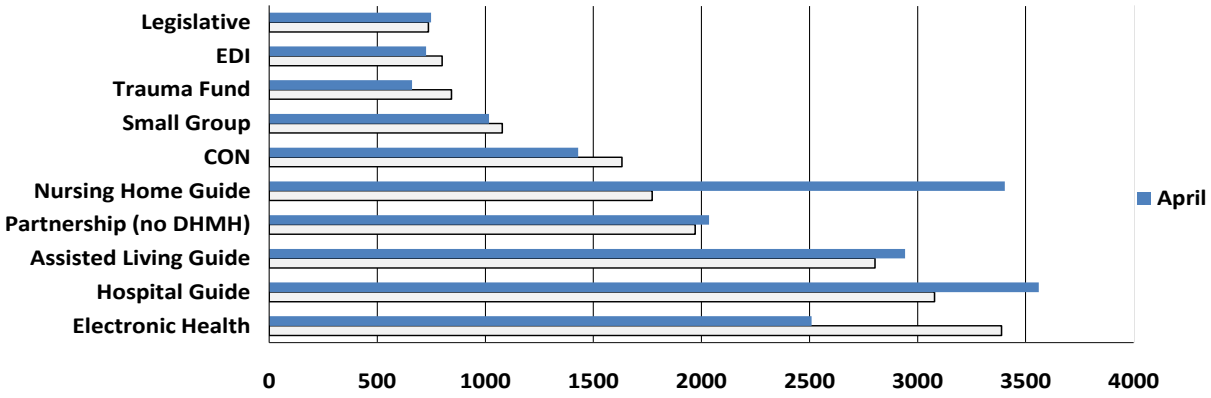
Figure 2 presents results on web utilization for the Commission's ten most frequently visited sites for April and May 2009. The total overall number of visits dropped again, about 9 percent, from April to May, ending with just under 26,000 visits.

Electronic Health and two of the Guides (Hospital, and Assisted Living) had the highest amount of traffic during the month, with about 36 percent of all visits. This is a change from April with the usage of the

Nursing Home Guide dropping by 48 percent. The combined usage for the three Guides dropped from 35 percent of all visits in April to 23 percent of all visits in May. The largest increases in usage were found in the Electronic Health and Trauma Fund web pages, 35 percent and 28 percent respectively. Other changes in usage for the month of May were between 6-15 percent for increases and 1-5 percent for decreases. The access of the Partnership and the Legislative websites was steady with previous months.

The average time spent on the site changed for the first time in months, with a decrease of about 10 percent. Time spent on a site is a good indicator of the site's usefulness to a visitor. Very short average times on a site may indicate the site was reached in error or the site was identified via a Google search. There were sizeable decreases the time on the site in the CON Section, Prescription Drugs, the State Health Plan, and Patient Safety. The only significant increase was on the Long Term Care Survey site, which is due to facilities preparing to their 2008 survey. The pages views per visitor also decreased by 7 percent. As in past months, about one third of all visitors originated from a Maryland-based ISP, about the same as the past three months. Those visitors tend to view more pages and spend longer time on the site than most of the other users.

Figure 2: Visits to the MHCC Web Sites
Top 10 MHCC Sites during April & May 2009



Web Development for Internal Applications

Staff continued to make progress on license renewal applications for the occupation boards. Table 1 presents the status on development on the sites. The current workload and the limited staff available for development has forced MHCC to scale back support to the Boards in the last several months.

Table 1– Web Applications Under Development

Client	Anticipated Start Development/Renewal	Anticipated Launch
AHRQ QI Installation	Planning	Delayed
Chiropractic Examiners	Complete	June 2009
EHN Accreditation Application	Testing	July 2009
Home Health Survey	Testing	September 2009
Long Term Care Survey	Development	July 2009
Partnership Modification	Development	August 2009
Physician Survey	Testing	July 2009

CENTERS FOR HEALTH CARE FINANCING AND LONG-TERM CARE AND COMMUNITY BASED SERVICES

HMO Quality and Performance

2009 Performance Evaluation: HEDIS Audit and CAHPS Survey

The Health Plan Quality & Performance Division Chief is vacant and currently in recruit.

HEDIS Audit
The HEDIS audit is completed and reports received.

Consumer Assessment of Health Plan Study (CAHPS Survey)
W B & A concluded survey data preparation and reports have been received.

NCQA has assimilated all the information and prepared drafts for MHCC review. We are awaiting the final draft for review and approval. Because we no longer print reports, the final report will be shared with the Commission and posted on the website. For those who do not have web access, there is an toll free number to call and staff assist them to get the information they desire. This is our third year of electronic publishing.

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)
At the March public meeting, the Commission adopted final regulations to implement the following changes to the CSHBP: requiring coverage for certain child dependents up to age 25, and requiring coverage for the surgical treatment of morbid obesity. These coverage changes were implemented effective July 1, 2009.

With the enactment of HB 610, Bona Fide Wellness Program Incentives, the Commission adopted proposed permanent regulations at the June meeting so that the wellness regulations (COMAR 31.11.14) comply with this new law while maintaining a provision currently in these regulations to ensure that the components of a wellness benefit include a health risk assessment, written feedback to those who complete the health risk assessment, and a financial incentive to promote preventive care, healthy behavior, or participation in a disease management or case management program. These regulations will be posted in the Maryland Register on July 31st for the required 30-day comment period.

With the enactment of SB 637/HB 674, the Commission is required to study (1) options to implement the use of value-based health care services and increase efficiencies in the CSHBP; and (2) potential options for allowing plans with fewer benefits than the Standard Plan. This report is due by December 1, 2009. This Act also requires the Commission to post on the MHCC website and update quarterly premium comparisons of health benefit plans issued in the small group market.

Health Insurance Partnership
The premium subsidy program known as "The Partnership" is currently available to certain small employers with 2 to 9 full time employees as long as they meet the requirements outlined in the law and meet certain salary, wage and other eligibility requirements established by the Commission through regulation. Coverage under the Partnership began on October 1, 2008. As of July 7th, enrollment in the

Partnership was as follows: 195 businesses; 547 employees; 898 covered lives. The average subsidy per enrolled employee is $1,835; the average age of all enrolled employees is 39; the group average wage is almost $28,000; the average number of employees per policy is 3.8; and the total subsidy amount issued is $1,003,674.

At the June public meeting, the Commission adopted as both emergency and proposed permanent, a few changes to the Partnership regulations along with updates to the Program Design Factors, including a new maximum subsidy table. These regulations will be posted in the *Maryland Register* on July 31st for the required 30-day comment period. The emergency regulations and the updated Program Design Factors will be effective beginning October 1, 2009.

Commission staff created and continually maintains the Partnership website (http://mhcc.maryland.gov/partnership) to inform all interested parties, including, carriers, producers, employers, employees, various business associations, etc. about this subsidy program.

Mandated Health Insurance Services
No requests for analysis were submitted by legislators on any proposed mandates and no new mandates failed during the 2009 legislative session, therefore there will not be an actuarial review conducted in 2009.

Long Term Care Policy and Planning

Hospice Data
Data collection and data cleaning for the FY 2008 Maryland Hospice Survey have been completed. An updated Public Use Data Set for FY 2007 and a new Public Use Data Set for FY 2008 have now been posted on the Commission's website. Work is now underway for planning the FY 2009 survey.

HB 30 Workgroup
Long Term Care staff has been asked to participate in the HB 30 Workgroup. The mission of the workgroup is to study: the types of options available in the state for hospice and palliative care; the degree to which these options are utilized within home, long term care, hospital and hospice settings; the average length of time spent in various settings; and the types and degree of barriers that exist regarding awareness of, and access to hospice and palliative care programs. Meetings of the workgroup were held on July 21st and August 12th 2009.

Minimum Data Set (MDS)
Staff is currently working with the minimum data set (MDS) Resident Assessment Instrument to update data sets for planning and policy development. The focus is on: update current programs and address programming issues; construct variables for research projects; develop a methodology to impute missing data; create data sets that permit tracking of variables over time; and link data sets.

Home Health Agency Data Analysis
Commission staff continues to review and analyze utilization trend data of HHA services. Staff is looking at age-specific use rates, as well as jurisdiction-specific utilization patterns in order to determine possible changes to the methodology for forecasting home health agency need. Preliminary analysis of Medicare and Medicaid home health utilization by zip code has also been part of the home health agency data analysis.

Home Health Agency Survey
The FY 2008 Home Health Data (Phase I and Phase II agencies) collection process has been completed. Staff is working with the Center for Data Systems and Analysis to begin the post collection phase of cleaning and editing the data. The FY 2009 Home Health Agency Survey is being tested. Once testing and updates have been completed, staff will send out a notice letter to the agencies to initiate the survey.

Long Term Care Survey
The 2008 Maryland Long Term Care Survey was officially released on June 22, 2009. Survey participants were also given a two week lead time (June 9, 2009) to start the survey process early. In response to a request by the nursing home associations to accommodate agencies during a difficult economic period, the Executive Director extended the due date to September 20, 2009. A reminder notice was sent at the original due date (August 20th) to all facilities whose surveys were not yet completed and accepted, and a status report was provided to the association.

Long Term Care Quality Initiative

LTC Website Expansion
Work continues on the website expansion. The Request for Proposals (RFP) to secure a contractor to build the web portal of long term care services is now under review by the Department of Management & Budget.

Nursing Home Surveys
Both the family survey (for long stay residents) and the short stay resident survey will be mailed in early September to prospective respondents. Data collection is expected to continue through October.

Other

1) At the request of the Agency for Healthcare Research & Quality (AHRQ) MHCC staff provided feedback on the proposed Home Health Consumer Assessment of Healthcare Providers and Systems (HHCAHPS) web site which will be used to display the results of the survey of home health agencies. The HHCAHPS will be tested on a voluntary nationally representative sample of home health agencies in the fall of 2009.

2) Staff are preparing the exhibition for the Baltimore Senior Expo to be held in October.

CENTER FOR HOSPITAL SERVICES

Hospital Services Policy and Planning

Certificate of Need (CON): July 1, 2009 through August 31, 2009

CONs Issued
Carroll Home Care (Baltimore County) – Docket No. 08-03-2233
Provide home health services in Baltimore County

Celtic Healthcare (Baltimore County) – Docket No. 08-03-2234
Provide home health services in Baltimore County

Maryland Home Health, LLC (Baltimore County) – Docket No. 08003-2238
Provide home health services in Baltimore County

CONs Denied
Allied Alternatives Health Care (Baltimore County) – Docket No. 08-03-2230
Provide home health services in Baltimore County

American Health Care Staffing, Inc. (Baltimore County) – Docket No. 08-03-2232
Provide home health services in Baltimore County

Better Care Home Health Services, Inc. (Baltimore County) – Docket No. 08-03-2237
Provide home health services in Baltimore County

FEM Nursing Services (Baltimore County) – Docket No. 08-03-2235
Provide home health services in Baltimore County

Human Touch Home Health, Inc. (Baltimore County) – Docket No. 08-03-2236
Provide home health services in Baltimore County

Mid America Home Health of Maryland, LLC (Baltimore County) – Docket No. 08-03-2239
Provide home health services in Baltimore County

Miss Health Care Agency (Baltimore County) – Docket No. 08-03-2240
Provide home health services in Baltimore County

Nurses on Demand, Inc. (Baltimore County) – Docket No. 08-03-2241
Provide home health services in Baltimore County

Nursing Health Services Training Consultants, Inc. (Baltimore County) – Docket No. 08-03-2242
Provide home health services in Baltimore County

Premier Health Services (Baltimore County) – Docket No. 08-03-2243
Provide home health services in Baltimore County

Prime Home Health Care (Baltimore County) – Docket No. 08-03-2244
Provide home health services in Baltimore County

Speqtrum Inc. (Baltimore County) – Docket No. 08-03-2245
Provide home health services in Baltimore County

Pre-Licensure/First Use Approval Issued (Completion of CON-Approved Projects)

Howard County General Hospital (Howard County) – Docket No. 05-13-2157
Expansion and renovation project at the hospital
Partial First Use – Completion of Phase 1 – Site work, new tower construction and parking garage
August 3, 2009

Johns Hopkins Hospital (Baltimore City) – Docket No. 07-24-2189
Construction of a new building "New Wilmer Building" at the corner of Broadway and Orleans Streets to be used by the Wilmer Eye Institute
August 17, 2009

CON Letters of Intent

Shady Grove Adventist Hospital (Montgomery County)
Increase in acute care bed capacity to 344 acute care beds through renovation of space in the hospital's existing buildings

Chiaramonte Health Care Enterprises (Prince George's County)
Construction of a 150-bed acute care hospital at the Bowie Health Center campus, 15001 Health Center Drive, Bowie

CON Applications Filed

Villa Maria (Baltimore County) – Matter No. 09-03-2297
Relocation of 66 residential treatment center beds currently operated at Villa Maria to existing vacant space at St. Vincent Center.
Proposed cost: $250,000

Carroll Hospital Center (Carroll County) – Matter No. 09-06-2298
Relocation if 2 operating rooms from the wholly-owned Ambulatory Care Center located at 291 Stoner Avenue to the hospital operating suite.
Proposed Cost: $0.

Delmarva Surgery Center (Cecil County) - Matter No. 09-07-2299
Renovation of an existing procedure room and conversion to an operating room for a total of 2 operating rooms at the facility located at 101 Chesapeake Boulevard, Suite C, Elkton.
Proposed cost: $217,000.

University of Maryland Medical Center (Baltimore City) – Matter No. 09-24-2300
Construction of a 7-story patient care building at the corner of Lombard and Penn Streets, expansion of the emergency department, a surgical suite with 10 new operating rooms (net increase of 5 OR's), a simulation center and 64 new intensive care beds.
Proposed cost: $176,435,000.

Pre-Application Conference

University of Maryland Medical Center (Baltimore City) – Matter No. 09-24-2300
Construction of a 7-story patient care building at the corner of Lombard and Penn Streets, expansion of the emergency department, a surgical suite with 10 new operating rooms (net increase of 5 OR's), a simulation center and 64 new intensive care beds.
Proposed cost: $176,435,000.
July 6, 2009

Shady Grove Adventist Hospital (Montgomery County)
Increase in acute care bed capacity to 344 acute care beds through renovation of space in the hospital's existing buildings
August 19, 2009

Application Review Conferences

Carroll Hospital Center (Carroll County) – Matter No. 09-06-2298
Relocation if 2 operating rooms from the wholly-owned Ambulatory Care Center located at 291 Stoner Avenue to the hospital operating suite.
Proposed Cost: $0.
August 21, 2009

Delmarva Surgery Center (Cecil County) - Matter No. 09-07-2299
Renovation of an existing procedure room and conversion to an operating room for a total of 2 operating rooms at the facility located at 101 Chesapeake Boulevard, Suite C, Elkton.
Proposed cost: $217,000.
August 24, 2009

University of Maryland Medical Center (Baltimore City) – Matter No. 09-24-2300
Construction of a 7-story patient care building at the corner of Lombard and Penn Streets, expansion of the emergency department, a surgical suite with 10 new operating rooms (net increase of 5 OR's), a simulation center and 64 new intensive care beds.

Proposed cost: $176,435,000.
August 21, 2009

Oral Argument

Holy Cross Hospital (Montgomery County) – Docket No. 08-15-2287
Expansion and renovation to the existing hospital
July 28, 2009

Site Visits
Frederick Surgical Center (Frederick County)-Docket No. 09-10-2296
Commission staff conducted a site visit to the existing and proposed new site of the Frederick Surgical Center
August 13, 2009

Determinations of Coverage

- **Acquisitions or Change of Ownership**

Piney Orchard Surgery Center (Anne Arundel County)
Change in ownership of facility, Barry Tatar, M.D. will be replaced by Thomas Lee, M.D.

Annapolis Surgery Center, LLC. (Anne Arundel County)
Change in ownership structure

St. Mary's Hospital (St. Mary's County)
Acquisition of St. Mary's Hospital by MedStar Health

Hospice of St. Mary's, Inc. (St. Mary's County)
Acquisition of Hospice of St. Mary's by MedStar Health

- **Capital Threshold**

Shady Grove Adventist Hospital (Montgomery County)
Construction of a third labor and delivery operating room
Cost: $412,327

Carroll Hospital Center (Carroll County)
Open a dedicated inpatient operating room in one of the two "shelled" rooms authorized through CON 05-06-2166). Will file CON application to add 2 operating rooms

Hospice of St. Mary's (St. Mary's County)
Construction of a dedicated hospital residential facility
Cost: $2,200,000

- **Delicensure of Bed Capacity or a Health Care Facility**

Woodbourne Center (Baltimore City)
Temporary delicensure of 6 RTC beds

Stella Maris (Baltimore County)
Temporary delicensure of 36 CCF beds

Harford Gardens Care & Rehabilitation Center (Baltimore City)
Temporary delicensure of 26 CCF beds

FutureCare-Chesapeake (Anne Arundel County)
Temporary delicensure of 2 CCF beds

- **Relicensure of Bed Capacity or a Health Care Facility**

Corsica Hills Center (Queen Anne's County)
Relicensure of 19 CCF beds

Crofton Convalescent Center (Anne Arundel County)
Relicensure of 10 CCF beds

FutureCare-Sandtown (Baltimore City)
Relicensure of 5 CCF beds

Bel Pre Health & Rehabilitation Center (Montgomery County)
Relicensure of 5 of 15 temporarily delicensed CCF beds

- **Relinquishment of Bed Capacity**

Summit Park Health & Rehabilitation Center (Baltimore County)
Permanent relinquishment of 2 CCF beds

Oak Crest Village
Relinquishment of 16 CCF beds at the CCRC

Ravenwood Nursing & Rehabilitation Center (Baltimore City)
Permanent relinquishment of 35 temporarily delicensed CCF beds

- **Other**

Gladys Spellman Specialty Hospital & Nursing Center (Prince George's County)
Redesignation of chronic and CCF beds within the facility

Walter P. Carter Center (Baltimore City)
Closure of the inpatient psychiatric state hospital

- **Ambulatory Surgery Centers**

Carroll Footworks Surgery Center, LLC, d/b/a Glyndon Ambulatory Surgery Center (Baltimore County)
Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 4 Glyndon Drive, Suite 2A, Reisterstown

Howard County Gastrointestinal Diagnostic Center (Howard County)
Addition of physicians to medical staff and change of address

Arundel Foot & Ankle Surgery Center (Anne Arundel County
Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 1412 North Crain Highway, Suite 1A, Glen Burnie

Luxxery Corporation of Maryland (Charles County)
Establish an ambulatory surgery center with 2 non-sterile procedure rooms to be located at 3010 Crain Highway, Suite 400, Waldorf

Shah Associates – Tri-County Endoscopy Center (Charles County)
Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 12070 Old Line Center, Suite 103, Waldorf

Chesapeake Pain Center, LLC (Harford County)
Establish an ambulatory surgery center with 2 non-sterile procedure rooms to be located at 2012 Tollgate Road, Suite 102, Bel Air

Cardiovascular Ambulatory Surgery Center of America, PA (Prince George's County)
Establish an ambulatory surgery center with 1 sterile OR and 1 non-sterile procedure room

Advanced Pain Surgery Center (Charles County)
Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 12070 Old Ling Center Drive, Suite 205, Waldorf

Surgery Center of Potomac (Montgomery County)
Addition of physicians to medical staff

Hospital Planning and Policy

Commission staff is participating in an inter-agency work group on ICU Surge Capabilities for H1N1. The purpose of this group, which includes representatives from MIEMSS, DHMH, and the Maryland Hospital Association, is to consider recent experiences and reports with H1N1 and plan a means to optimize the availability and use of ICU beds. This group will need to address many elements of hospital surge but will concentrate on preserving ICU availability. The work group held meetings on August 14 and 21, 2009. Commission staff provided detailed data on the daily census for each Maryland hospital as well as information on licensed and physical bed capacity.

Hospital Quality Initiatives

Hospital Performance Evaluation Guide (HPEG) Advisory Committee

The HPEG Advisory Committee held its monthly meetings in July and August and continues to provide guidance on the various activities associated with the maintenance and expansion of the Hospital Performance Evaluation Guide (HPEG). Over the past two months, the HPEG Committee has focused on issues surrounding the implementation of the new Quality Measures Data Center (QMDC), considered and approved proposed measures for inclusion in the Guide and reviewed the progress on HAI data collection and reporting activities. Most recent accomplishments are highlighted below:

- *Hospital Performance Evaluation Guide Update and New Measures*

The Hospital Performance Evaluation Guide has been updated to include the most current core performance measures data currently available from CMS through the QIO Clinical Data Warehouse. This data, representing the 3rd and 4th quarter 2008, has been analyzed and previewed by hospitals and is now available on the Hospital Guide.

In August, the following proposed measures for hospital reporting were distributed for public comment and posted on the MHCC website. Effective October 1, 2009, the MHCC proposes to expand the process measures data reporting requirements to include PN-7, Percent Pneumonia Patients Assessed and given Influenza Vaccination (Reported by Flu Season ONLY). Comments on PN-7 are due to the Commission by September 11, 2009. Effective January 1, 2010 the MHCC proposes to expand the process measures data reporting requirements to include AMI-8, Percent of Heart Attack Patients Given PCI within 90 minutes of Arrival. Comments on AMI-8 are due to the Commission by October 2, 2009.

- *Maryland Quality Measures Data Center Project*

In addition to the activities associated with the immediate update of the Guide, the staff continues to work on the implementation of the Quality Measures Data Center (QMDC). The QMDC will provide a web-

based tool for hospitals to upload clinical quality measures and patient satisfaction data required to be reported to the Commission. This approach will not only accelerate the timely receipt of data directly from hospitals, but it will enable the Commission to validate the accuracy and completeness of the data as well. MHCC has engaged the services of the Iowa Foundation for Medical Care (IFMC) to facilitate the implementation of this project. Staff and the contractor meet weekly to define technical specifications and develop program requirements associated with this new internet based point of access for hospitals to submit their data directly to the Commission. The staff held a statewide briefing to introduce the project to the hospital industry on June 23rd. On July 15, the MHCC, with the assistance of IFMC, held a follow up webinar to review the new QMDC project in detail, including system features, functionality and access information. Hospital participation in the webinar was high and based on the assessment of the participant evaluation forms, the hospital industry found the event to be very informative. The staff and contractor (IFMC) are in the process of preparing hospitals for the first quarterly data submission of data in October.

Healthcare Associated Infections (HAI) Data

- *Validation of Data on Central Line-Associated Blood Stream Infections (CLABSI) in the ICU*

Since July 1, 2008, Maryland hospitals have been required to use the National Healthcare Safety Network (NHSN) surveillance system to report data to the Commission on Central Line-Associated Blood Stream Infections (CLABSI) in any ICU. Hospitals are required by NHSN to report data in the system within 30 days following the end of the month. The Commission has collected several months of CLABSI data and planss to conduct an independent quality review of the data prior to public release of the information on the Hospital Guide. To that end, the staff initiated a procurement project to engage the services of a contractor with expertise and experience in the quality review of healthcare infections data. The contractor will perform an assessment of the accuracy and completeness of the Commission's CLABSI data. The procurement process has been completed and staff has initiated a contract with APIC Consulting Services, Inc. to develop and implement a plan to validate the hospital data. The staff held the initial kick off meeting with the contractor on September 1st and plans to hold weekly meetings to facilitate timely completion of the project.

- *American Recovery and Reinvestment Act (ARRA) Grant Funding*

On September 4, 2009, the Centers for Disease Control and Prevention (CDC) announced the award of a $1.2 million grant to Maryland under the American Recovery and Reinvestment Act (ARRA) to enhance the prevention of healthcare-associated infections (HAI). The grant is a collaborative effort involving the Department of Health and Mental Hygiene, Maryland Health Quality and Cost Council, and the Maryland Health Care Commission. The funds available under this program will build on the Commission's HAI initiatives and enable Maryland to strengthen its data collection, reporting, and analysis infrastructure to meet the challenge of preventing HAI.

- *2009-2010 Health Care Workers (HCW) Influenza Vaccination in Hospitals Survey*

Staff distributed the second annual Survey on Health Care Workers (HCW) Seasonal Influenza Vaccination to Maryland hospitals. This survey will provide useful information on individual hospital vaccination rates as well as hospital performance in comparison to peer facilities and to the State as a whole. The survey has been enhanced as a result of lessons learned from the pilot survey conducted last year. The online survey will be distributed to hospitals in the spring of 2010 for completion within 30 days following the end of the flu season (May 15, 2010). On September 8th, the staff met with representatives from the Maryland Ambulatory Surgery Association to discuss the implementation of the HCW Influenza Vaccination Survey in ambulatory surgery centers. The staff will continue to work with the organization to facilitate implementation for the upcoming flu season.

- *Active Surveillance Testing (AST) for MRSA in All ICUs Survey*

The results of the 2nd quarterly survey for collecting data on Active Surveillance Testing (AST) for MRSA in All ICUs have been submitted by hospitals. It is important to note that this is a process measure that evaluates the rate of hospital screening (AST) for MRSA in all ICUs. It is not an outcome measure that evaluates the rate of MRSA colonization or infection in the hospital. The results of the survey are under staff review for completeness and will be distributed to hospitals for review prior to public reporting.

- *Proposed Implementation of Surgical Site Infection Data Collection*

In July 2009, the following proposed measures for hospital reporting were distributed for public comment and posted on the MHCC website. Effective January 1, 2010, expand HAI data reporting requirements for Maryland hospitals to include hip replacement, knee replacement, and coronary artery bypass graft (CABG) Surgical Site Infections (SSI) using the National Healthcare Safety Network (NHSN) system. Comments are due to the Commission by September 11, 2009.

- *Statewide Hand Hygiene Campaign*

At their June 10, 2009 meeting, the Maryland Health Quality and Cost Council adopted a key recommendation from its Evidence-Based Medicine Work Group calling for the implementation of a statewide Hand Hygiene campaign. The Council is chaired by Lieutenant Governor Anthony G. Brown. Department of Health and Mental Hygiene Secretary John M. Colmers serves as Vice Chair of the Council. The Council has prioritized conducting a statewide hand hygiene initiative and prevention of healthcare-associated infections as part of its work plan. To implement this recommendation, the Council requested consultation from the Healthcare-Associated Infections (HAI) Advisory Committee of the Maryland Health Care Commission. In his July 29, 2009 letter to HAI Advisory Committee members, Secretary Colmers requested recommendations from the regarding the guiding principles, methodology, and data collection for a statewide Hand Hygiene campaign to be implemented this fall. On August 31, 2009, the HAI Advisory Committee and its Hand Hygiene and Infection Prevention Subcommittee submitted its *Report and Recommendations on Implementation of a Statewide Hospital Hand Hygiene Campaign* to Secretary Colmers. The Report includes six recommendations:

Public Education

Recommendation 1. *In conjunction with the statewide hospital Hand Hygiene Campaign, the Maryland Council on Health Quality and Cost, and the Commission's Healthcare-Associated Infections Advisory Committee should develop a public awareness campaign to emphasize the importance of hand hygiene in preventing HAIs, including influenza.*

Measurement of Hand Hygiene Compliance

Recommendation 2. *The Healthcare-Associated Infections Advisory Committee recommends that hospital hand hygiene programs be supervised by Infection Preventionists.*

Recommendation 3. *The Healthcare-Associated Infections Advisory Committee recommends that hospital programs measuring adherence to hand hygiene protocols be required to use trained non-Infection Preventionist staff to conduct observations.*

Recommendation 4. *The Healthcare-Associated Infections Advisory Committee recommends that hospital programs measuring adherence to hand hygiene protocols be required to use trained observers to perform data collection. A formal, statewide program should be developed to train observers to ensure the collection of consistent and reliable data on hand hygiene adherence.*

Recommendation 5. *The Healthcare-Associated Infections Advisory Committee recommends that hospital programs be required initially, at a minimum, to collect data on adherence to hand hygiene protocols: after touching a patient or touching a patient's surroundings; by major discipline of health care worker, including nurses, physicians, environmental services, food services, and ancillary support staff who enter patient environments; and, for inpatient and intensive care units and the emergency department. There should be a minimum of 30 observations per month for each unit.*

Data Collection and Implementation

Recommendation 6. *The Healthcare-Associated Infections Advisory Committee and its Hand Hygiene and Prevention Subcommittee should work with the Maryland Patient Safety Center (MPSC) to implement a statewide Hand Hygiene Campaign. The MPSC: should identify a limited number (e.g., 2-3) of existing tools that could be used to support a statewide hand hygiene campaign; develop a common approach to calculate adherence rates that provides comparable data across hospitals; define the minimum number of inpatient units to be reported by each hospital; and, develop a training program to support the collection of valid hand hygiene compliance data.*

Other Activities

In support of MHCC's hospital quality initiatives, the staff continues to reach out to other units within DHMH, federal agencies, professional organizations and other states, to share and gather information and to identify opportunities for collaboration and improvement. The staff continues to collaborate with the HSCRC staff on data issues to support the Quality Based Reimbursement project and broader rate setting issues.

Specialized Services Policy and Planning

On July 16, 2009, the Commission took final action to amend the State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention Services (COMAR 10.24.17) by requiring, effective January 1, 2010, that hospitals provide primary percutaneous coronary intervention (pPCI) with a door-to-balloon time within 90 minutes for at least 75 percent of appropriate patients. Notice of final action on the amendments was published in the *Maryland Register* on July 31, 2009.

On April 17, 2008, the Commission issued a one-year waiver permitting Carroll Hospital Center (CHC) to establish primary percutaneous coronary intervention services without on-site cardiac surgery services. The effective date of the one-year waiver was the date on which CHC initiated pPCI services; the hospital began providing pPCI on October 13, 2008. On July 6, 2009, CHC timely filed an application for a two-year waiver. The Commission may issue a pPCI waiver for a two-year period, provided that the applicant hospital meets and continues to meet the requirements for pPCI programs without on-site cardiac surgery found in COMAR 10.24.17, Table A-1. On September 17, 2009, the Commission will consider the staff recommendation on the application of Carroll Hospital Center (Docket No. 09-06-0043 WR).

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Health Information Technology

Staff finalized the vision document for a management services organization (MSO) that seeks MHCC designation. MSOs are considered a viable alternative to the traditional client server model for electronic health records (EHRs). These organizations offer EHRs through an application service provider (ASP) model where the physician pays a monthly subscription fee to access the application via the Internet. This alternative approach to EHR implementation allows physicians to own their data without managing the security of the information, provides technical support, and mitigates vendor management issues. MSOs often provide extended hours of support and advanced reporting for monitoring efficiency and patient outcomes. MHCC is required to designate one or more MSOs in 2012 consistent with HB 706: *Electronic Health Records – Regulation and Reimbursement* that was signed into law by Governor Martin O'Malley in May. Staff plans to convene stakeholders in September to discuss performance requirements for a MSO that seeks state designation.

Staff is analyzing the results of *The Ambulatory Health Information Technology Survey* (survey). This survey is similar to the *Hospital Health Information Technology Survey* conducted last fall. The questions were incorporated into the annual *Maryland Freestanding Ambulatory Surgical Center (FASC) Survey* that was released in April. The survey aims to assess the level of implementation for seven leading core areas of health information technology (HIT) that have the potential to improve patient safety and the quality and efficiency of care delivery. Findings from the FASC survey will be presented in an information brief scheduled for release around the end of the year.

Maryland is the first state to build on the Medicare and Medicaid adoption incentives under the *American Recovery and Reinvestment Act of 2009* by passing HB 706, which requires state-regulated payers to provide incentives for the adoption of EHRs that parallels the requirements of federal incentives. Among other things, HB 706 requires state-regulated payers to offer monetary incentives for EHR adoption and meaningful use beginning in 2011, and establishing disincentives that begin in 2015. Staff invited payers and other interested stakeholders to take part in an initial discussion to be held in September to explore incentives that payers can offer in compliance with the statute. Stakeholder discussions over the next several months is expected to serve as the framework for drafting proposed regulations and in formulating an update to the legislature on the progress in developing these regulations which is due in January.

Staff is currently updating the health IT state plan to comply with the recent guidance received from the Office of the National Coordinator for Health Information Technology (ONC). Changes in the state plan are required in order for Maryland to meet the criteria for a health IT funding grant. ONC's guidance consists of a strategic plan and an operational plan with specific requirements for each section. States pursuing funding under the recent ONC grant opportunity have roughly eight weeks to complete the modifications. The state plan is a required component of the *State Health Information Exchange Cooperative Agreement Program* grant that is due by October 16, 2009. Funding levels are in part determined by the status of health IT in each state. ONC will provide states with additional guidance in December on changes required to the state plan.

Development of the second version of the web-based EHR Product Portfolio (portfolio) is currently underway. Included in the portfolio is a list of certified vendors that have agreed to offer product discounts and a five year pricing structure, posting of consumer reports based upon feedback from five references, and policies related to privacy and security. The first version was released in September of 2008. Staff anticipates including information from roughly 27 vendors that have met the most stringent Certification Commission for Health Care Information Technology (CCHIT) certification standards relating to functionality and security; new to this version is the requirement that vendors meet the CCHIT interoperability requirements. Staff anticipates releasing the next version of the portfolio in September.

Last month, staff participated in a planning meeting with representatives from Peninsula Regional Medical Center and Atlantic General to discuss implementing a service area health information exchange. Leadership from both hospitals is evaluating the impact of establishing a technology infrastructure maintained by the hospital for physicians to access patient information electronically. Statewide, approximately 17 percent of acute care hospitals have implemented electronic data sharing initiatives with physicians in their service area. These hospitals typically host the technology that enables a one-way transfer of a limited amount of data with a high speed Internet connection. Last year, staff convened a meeting of hospital chief information officers and various other stakeholders to reach consensus on a range of standards and policies that ensure hospitals embarking on data sharing initiatives implement similar policies. Acute care hospitals are well situated to provide a consistent way of managing privacy and security and ensuring the existence of robust physical and technical safeguards of electronic health information.

The Centers for Medicare and Medicaid Services (CMS) EHR Demonstration Project has been underway for approximately 60 days. Staff continues to provide physicians participating in the treatment group with information on EHRs. Physicians in the treatment group have 12 months to purchase an EHR system in order to receive incentive funding under the four year demonstration project. Roughly 127 small to medium sized primary care physician practices specializing in family practice, general practice, internal medicine, and gerontology participate in the treatment group, where they are eligible to receive approximately $290,000 in monetary incentives for adopting EHRs and reporting on 26 quality measures for four medical conditions. About an equal number of physicians participate in a control group and will receive compensation for completing a survey in years two and five. Maryland is one of four states participating in this project.

Health Information Exchange

In August, the Health Services Cost Review Commission approved the MHCC Commissioner's recommendation to fund the Chesapeake Regional Information System for our Patients (CRISP) for up to $10 million in startup funding. Over the last month, staff participated in three planning meetings with CRISP. The organization is currently seeking nominations from stakeholders to participate in one of three Advisory Board Committees: Exchange Technology Committee, Clinical Excellence and Exchange Services Committee, and Finance Committee. Staff assembled a Policy Board that is predominately consumer based and includes business, provider, and payer representatives. The leading responsibilities of the Policy Board include the development of procedures for privacy and security, consumer authorization and consent, minimum criteria for user authentication, minimum requirements for role-based authorization, security requirements, and audit trail requirements. The Policy Board consists of roughly 22 representatives and scheduled the first official meeting in October.

On August 20th, ONC released two grant opportunities under the *American Recovery and Reinvestment Act of 2009* (ARRA). The first grant, *State Health Information Exchange Cooperative Agreement Program*, is for states or their designated health information exchange (HIE) to seek funding for implementing HIE to improve the quality and efficiency of health care. The average funding award for recipients of the grant is approximately $4 million. Staff is completing the application which is due to ONC by October 16th. The second grant, *Health Information Technology Extension Programs: Regional Centers Cooperative Agreement Program* is intended to fund a non-profit that promotes education, awareness, and technical assistance for the adoption and meaningful use of EHRs. The state designated HIE, CRISP, will lead in the application development. The average funding award for recipients of the grant is approximately $8.5 million. Staff will provide support to CRISP in their development of the application which is due to ONC by November 3rd.

Staff is currently updating two resource guides available on the MHCC website to include revisions based on the ARRA provisions: *HIPAA: A Guide to Privacy Readiness* and *HIPAA: A Guide to Security Readiness*. Roughly 13 revisions were included in the ARRA that directly impact on the Health

Insurance Portability and Accountability Act of 1996 (HIPAA). Leading changes required to the guides pertain to business associates, information breaches, and inadvertent disclosure of personal health information. Staff originally developed these two guides to help small practices conduct a privacy and security gap assessment in compliance with the HIPAA provisions. Staff expects to complete the revisions prior to the end of the year.

The National Governors Association, Center for Best Practices, convened a meeting of states to discuss challenges and barriers to implementing an HIE. More than 20 states took part in this two day event in Burlington, Vermont. Representatives from the Office of the National Coordinator for Health Information Technology (ONC) discussed new directions that greatly expand the role of states in fostering HIE and the adoption of EHRs. The ONC encouraged states to implement efforts that establish a statewide HIE and to begin planning how they will support the new direction under the ARRA, and lead the way for broad deployment and use of HIE. As part of the meeting, participants were able to discuss strategies with regional states and explore collaborative opportunities as data sharing expands across state borders.

Staff continues to provide support to the Electronic Healthcare Network Accreditation Commission's (EHNAC) Health Information Exchange (HIE) Policy Accreditation Advisory Panel (panel). EHNAC plans to make available to HIEs a policy accreditation program that validates HIEs which have in place a minimal set of policies safeguarding the privacy and security of electronic health information. The panel has convened for almost a year and consists of a broad range of stakeholders. Over the last year, the panel has met to develop a framework of requirements that can be applied to HIEs that seek policy accreditation in the area of privacy and security. The panel finalized a preliminary core set of criteria in August. Staff is currently working with EHNAC to obtain feedback from existing HIEs on the draft criteria and to identify additional policy makers that can participate on a committee to expand upon the draft policy. EHNAC plans to seek public comment on the proposed criteria around the end of the year and anticipates finalizing the accreditation requirements during the first quarter of 2010.

Electronic Health Networks & Electronic Data Interchange

Payers completed their annual filing pursuant to COMAR 10.25.09, *Requirements for Payers to Designate Electronic Health Networks,* on June 30, 2009. Payers with a premium volume of over $1 million or more must report each year on their volume of administrative health care transactions. About 44 payers, including Medicare, Medicaid, and the seven Medicaid Managed Care Organizations submitted reports this year, as compared to 48 payers from the previous year. Staff is analyzing the data and will use this information in developing the *2009 Annual EDI Progress Report*. This report is used by payers and provider organizations to develop strategies that increase the use of technology. This year's report is scheduled for release in early 2010.

Staff identified ten potential electronic health networks (networks) that will need to obtain certification for compliance with COMAR 10.25.07, *Certification of Electronic Networks and Medical Claims* Clearinghouses. The regulations require payers doing business in the state to accept electronic health care transactions from only MHCC certified networks. Currently, MHCC has certified approximately 42 networks with two additional networks in candidacy status. Networks are certified based on obtaining EHNAC accreditation and a staff review of a network's privacy and security policies. Staff initiated contact with nearly 23 pharmacy e-prescribing networks in anticipation of the Maryland Board of Pharmacy's (MBP) proposed regulation becoming final later this year. These regulations require e-prescribing networks in Maryland pharmacies to obtain MHCC certification.

National Networking

Staff participated in two HIMSS webinars. The first was entitled *Personal Health IT in Government: How DOD and VA Personal Health Record Pilots are Helping Pave the Way for Public Sector Health Care Interoperability*. This webinar presented key challenges of providing public access to corporate health data resources, including privacy and customer relationship management, best practices for

pursuing government wide health information access and integration, and insights into the business case and goals of the MyHealtheVet programs. The second webinar was *Data Breach Prevention, An Ounce of Prevention = Pound of Cure* that presented an overview of data breaches and specifically threat sources, prevention, remediation, and state regulations/federal legislation.

The eHealth Initiative held six webinars. The first entitled *Meaningful Use: Policy Issues & Practical Challenges* was based on ARRA and concentrated on improving health care using EHRs and other health care data by defining the framework for meaningful use. The second was *The Nuts and Bolts of e-Prescribing*, a webinar that shared the experiences of two large physician practices in implementing e-prescribing in their respective practices. The third, *Meaningful Use: Policy Issues and Practical Challenges* provided insight to the ARRA and the perspectives of a multitude of stakeholders. The fourth was a review of their 2009 HIE Report. The fifth focused on *State Reactions to the HITECH Act: Adoption, Implementation, and Exchange*, specifically the perspectives from California, Minnesota, and Colorado. Finally, the sixth webinar was *e-Prescribing: What is it and How do I get started?* that focused on e-prescribing, how it works, and why it's important.